

AMENDED IN ASSEMBLY MAY 1, 2001

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1656

Introduced by Assembly Member Goldberg

February 23, 2001

An act to amend ~~Sections 21701 and 21701.1 of the Business and Professions Code, and Section 21701.1 of, and to add Section 21701.2 to, the Business and Professions Code, and to amend Section 5109 of, and to add Section 5139.5 to, the Public Utilities Code, relating to household goods.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1656, as amended, Goldberg. Self-service storage facilities: household goods.

(1) ~~Existing law, the California Self Service Storage Facility Act, defines “self-service storage facility” for the purposes of that act.~~

~~This bill would provide that a self-service storage facility is a public utility under the Public Utilities Code.~~

(2) ~~Existing law provides that the transportation of individual storage containers to and from a self-service storage facility by the owner or operator of a self-service storage facility or a household goods carrier that he or she owns or operates is not subject to regulation by the Public Utilities Commission under the Household Goods Carriers Act.~~

~~This bill would instead provide that this activity is, with specified exceptions, subject to regulation by the Public Utilities Commission.~~

(3)

(2) Existing law defines household goods carrier for purposes of regulation by the Public Utilities Commission. Existing law authorizes the commission to establish rules for household goods carriers.

This bill would expand the definition of household goods carrier to include used household goods in containers. The bill would require the commission to adopt necessary regulations to ~~protect consumer interests and to promote the efficient movement of used household goods in containers to and from storage facilities requiring self-service storage facilities, to register with the commission.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. ~~Section 21701 of the Business and Professions~~
2 ~~Code is amended to read:~~

3 21701. ~~For the purposes of this chapter, the following terms~~
4 ~~shall have the following meanings:~~

5 (a) ~~“Self-service storage facility” means real property~~
6 ~~designed and used for the purpose of renting or leasing individual~~
7 ~~storage space to occupants who are to have access to the space for~~
8 ~~the purpose of storing and removing personal property or for~~
9 ~~storing individual storage containers provided to occupants who~~
10 ~~have exclusive use of the container for the purpose of storing and~~
11 ~~removing personal property, whether or not the individual storage~~
12 ~~containers are transported pursuant to Section 21701.1.~~
13 ~~Self-service storage facility does not include a garage or other~~
14 ~~storage area in a private residence. No occupant may use a~~
15 ~~self-service storage facility for residential purposes. A self-service~~
16 ~~storage facility is deemed to be a public utility, as defined in~~
17 ~~Section 216 of the Public Utilities Code. If an owner issues a~~
18 ~~warehouse receipt, bill of lading, or other document of title for the~~
19 ~~personal property stored, the owner and the occupant are subject~~
20 ~~to the provisions of Division 7 (commencing with Section 7101)~~
21 ~~of the Commercial Code, and the provisions of this chapter do not~~
22 ~~apply.~~

23 (b) ~~“Owner” means the owner, operator, lessor, or sublessor of~~
24 ~~a self-service storage facility, his or her agent, or any other person~~
25 ~~authorized by him or her to manage the facility, or to receive rent~~

1 ~~from an occupant under a rental agreement, and no real estate~~
2 ~~license is required.~~

3 ~~(e) “Occupant” means a person, or his or her sublessee,~~
4 ~~successor, or assign, who is entitled to the use of the storage space~~
5 ~~at a self-service storage facility under a rental agreement, to the~~
6 ~~exclusion of others.~~

7 ~~(d) “Rental agreement” means any written agreement or lease~~
8 ~~that establishes or modifies the terms, conditions, rules, or any~~
9 ~~other provision concerning the use and occupancy of a self-service~~
10 ~~storage facility.~~

11 ~~(e) “Personal property” means movable property not affixed~~
12 ~~to land, and includes, but is not limited to, goods, merchandise,~~
13 ~~furniture, and household items.~~

14 ~~(f) “Last known address” means that address provided by the~~
15 ~~occupant in the latest rental agreement, or the address provided by~~
16 ~~the occupant in a subsequent written notice of a change of address.~~

17 ~~SEC. 2.~~ Section 21701.1 of the Business and Professions
18 Code is amended to read:

19 21701.1. (a) The owner or operator of a self-service storage
20 facility or a household goods carrier, may, for a fee, transport
21 individual storage containers to and from a self-service storage
22 facility that he or she owns or operates. This transportation activity
23 shall be subject to regulation under Chapter 7 (commencing with
24 Section 5101) of Division 2 of the Public Utilities Code unless
25 proof of compliance with the following or any other requirements
26 established by the Public Utilities Commission is provided to the
27 satisfaction of the Public Utilities Commission:

28 (1) The fee charged (A) to deliver an empty individual storage
29 container to a customer and to transport the loaded container to a
30 self-service storage facility or (B) to return a loaded individual
31 storage container from a self-service storage facility to the
32 customer does not exceed one hundred dollars (\$100) ~~or a dollar~~
33 ~~amount set by the Public Utilities Commission.~~

34 (2) The owner, operator, or carrier, or any affiliate of the owner,
35 operator, or carrier, does not load, pack, or otherwise handle the
36 contents of the container.

37 (3) The owner, operator, or carrier is registered under Chapter
38 2 (commencing with Section 34620) of Division 14.85 of the
39 Vehicle Code or holds a permit under Chapter 7 (commencing with
40 Section 5101) of Division 2 of the Public Utilities Code.

(4) The owner, operator, or carrier has procured and maintained cargo insurance in the amount of at least twenty thousand dollars (\$20,000) per shipment. Proof of cargo insurance coverage shall be maintained on file and presented to the Department of Motor Vehicles or Public Utilities Commission upon written request.

(5) The owner, operator, or carrier shall disclose to the customer in advance the following information regarding the container transfer service offered, in a written document separate from others furnished at the time of disclosure:

(A) A detailed description of the transfer service, including a commitment to use its best efforts to place the container in an appropriate location designated by the customer.

(B) The dimensions and construction of the individual storage containers used.

(C) The unit charge, if any, for the container transfer service that is in addition to the storage charge or any other fees under the rental agreement.

(D) The availability of delivery or pickup by the customer of his or her goods at the self-service storage facility.

(E) The maximum allowable distance, measured from the self-service storage facility, for the initial pickup and final delivery of the loaded container.

(F) The precise terms of the company's right to move a container from the initial storage location at its own discretion and a statement that the customer will not be required to pay additional charges with respect to that transfer. *The storage company shall obtain the customer's written acknowledgement that this type of move might occur and provide the customer an opportunity to refuse this type of move.*

(G) Conspicuous disclosure in bold text of the allocation of responsibility for the risk of loss or damage to the customer's goods, including any disclaimer of the company's liability, and the procedure for presenting any claim regarding loss or damage to the company.

The disclosure of terms and conditions required by this subdivision, and the rental agreement, shall be received by the customer a minimum of 72 hours prior to delivery of the empty individual storage container; however, the customer may, in writing, knowingly and voluntarily waive that receipt. The

1 company shall record in writing, and retain for a period of at least
2 six months after the end of the rental, the time and method of
3 delivery of the information, any waiver made by the customer, and
4 the times and dates of initial pickup and redelivery of the
5 containerized goods.

6 (6) No later than the time the empty individual storage
7 container is delivered to the customer, the company shall provide
8 the customer with an informational brochure containing the
9 following information about loading the container:

10 (A) Packing and loading tips to minimize damage in transit.

11 (B) A suggestion that the customer make an inventory of the
12 items as they are loaded and keep any other record (for example,
13 photographs or videotape) that may assist in any subsequent
14 claims processing.

15 (C) A list of items that are impermissible to pack in the
16 container (for example, flammable items).

17 (D) A list of items that are not recommended to be packed in
18 light of foreseeable hazards inherent in the company's handling of
19 the containers and in light of any limitation of liability contained
20 in the rental agreement.

21 (b) Pickup and delivery of the individual storage containers
22 shall be on a date agreed upon between the customer and the
23 company. If the company requires the customer to be physically
24 present at the time of pickup, the company shall in fact be at the
25 customer's premises prepared to perform the service not more than
26 four hours later than the scheduled time agreed to by the customer
27 and company, and in the event of a preventable breach of that
28 obligation by the company, the customer shall be entitled to
29 receive a penalty of fifty dollars (\$50) ~~or other penalty as~~
30 ~~determined by the Public Utilities Commission~~ from the company
31 and to elect rescission of the rental agreement without liability.

32 (c) No charge shall be assessed with respect to any movement
33 of the container between self-service storage facilities by the
34 company at its own discretion, nor for the delivery of a container
35 to a customer's premises if the customer advises the company, at
36 least 24 hours before the agreed time of container dropoff, orally
37 or in writing, that he or she is rescinding the request for service.

38 (d) For purposes of this chapter, "individual storage
39 container" means a container that meets all of the following
40 requirements:

1 (1) It shall be fully enclosed and locked.

2 (2) It contains not less than 100 and not more than 1,100 cubic
3 feet.

4 (3) It is constructed out of a durable material appropriate for
5 repeated use. A box constructed out of cardboard or a similar
6 material shall not constitute an individual storage container for
7 purposes of this section.

8 (e) Nothing in this section shall be construed to limit the
9 authority of the Public Utilities Commission to investigate and
10 commence an appropriate enforcement action pursuant to Chapter
11 7 (commencing with Section 5101) of Division 2 of the Public
12 Utilities Code against any person transporting household goods in
13 individual storage containers in a manner other than that described
14 in this section.

15 SEC. 2. Section 21701.2 is added to the Business and
16 Professions Code, to read:

17 21701.2. Every self-service storage facility defined in Section
18 21701 shall register with the Public Utilities Commission in
19 accordance with the regulations established by the commission.

20 SEC. 3. Section 5109 of the Public Utilities Code is amended
21 to read:

22 5109. "Household goods carrier" includes every corporation
23 or person, their lessees, trustee, receivers or trustees appointed by
24 any court whatsoever, engaged in the transportation for
25 compensation or hire as a business by means of a motor vehicle or
26 motor vehicles being used in the transportation of used household
27 goods, used household goods in containers, and personal effects
28 over any public highway in this state.

29 SEC. 4. Section 5139.5 is added to the Public Utilities Code,
30 to read:

31 ~~5139.5. The commission shall adopt the necessary regulations~~
32 ~~to promote the efficient movement of used household goods in~~
33 ~~containers to and from storage facilities necessary to protect~~
34 ~~consumer interests.~~

35 5139.5. In order to protect consumer interests and to promote
36 the efficient movement of used household goods in containers to
37 and from self-service storage facilities, the commission shall adopt

- 1 *regulations requiring all self-service storage facilities to register*
- 2 *with the commission.*

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